

Appl. No.: 09/882,834  
Amdt. dated 02/18/2005  
Reply to Office action of November 19, 2004

**REMARKS**

Applicants appreciate the thorough examination of the present invention, as evidenced by the first Official Action. By way of background, we previously received a restriction requirement, dividing the claims into two groups, Group I including Claims 1-20 directed to a system and method for managing inventory, and Group II including Claims 21-58 directed to a system, method and computer program product for transferring electronic files. Following election of the claims of Group I, Claims 1-20 are now considered by the first Official Action. Accordingly, Applicants have cancelled non-elected Claims 21-58.

The first Official Action rejects method Claims 1, 2, 7, 9 and 10 under 35 U.S.C. § 101 as being drawn to non-statutory subject matter. In response, Applicants have amended independent Claim 1 to further recite that creating an open purchase order, maintaining a product inventory count and/or monitoring the product inventory count is performed by a processing unit. Applicants respectfully submit that amended independent Claim 1, and by dependency Claims 2, 7, 9 and 10, recite at least one step that is at least partially performed in a manner other than by pure manual or mental processes, i.e., at least partially performed by a processing unit. Therefore, Applicants respectfully submit that amended independent Claim 1, and by dependency Claims 2, 7, 9 and 10, are directed to statutory subject matter, thereby overcoming the rejection of Claims 65-77, 120 and 121 under 35 U.S.C. § 101.

The first Official Action also rejects all of the pending claims, namely Claims 1-20, under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application Publication No. 2002/0010659 to Cruse et al. However, Applicants have not amended any of the claims in response to the rejection of the claims as being anticipated by the Cruse publication. As explained below, Applicants respectfully submit that the claimed invention of the present application is patentably distinct from the Cruse publication. As such, Applicants respectfully traverse the rejections of the claims as being anticipated by the Cruse publication. In light of the amendment to independent Claim 1 and the remarks presented herein, Applicants respectfully request reconsideration and allowance of the present application.

The Cruse publication provides an inventory management/control system that enables point of use replenishment coupled with available centralized oversight. As disclosed, when

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inventory reaches a pre-set level (from a two-bin/kanban arrangement), a code representative of the particular stock is forwarded to a central database repository. From the central database repository, a purchase order can be sent to a pre-identified supplier such that the supplier can thereafter ship the stock directly to the point of use. A receipt and/or a code indicative of the new stock can then be entered into the system. As also disclosed, centralized authority can be granted access to the central database repository to enable review, modification and configuration of all or a part of the total inventory situation.

The claimed invention of amended independent Claim 1 provides a method for managing an inventory of a product of a supplier that is provided to a customer. As recited, the method includes creating an open purchase order including a minimum and a maximum of acceptable inventory of the product. A supply amount of the product is stored in a storage unit that is remote from the supplier and proximate to the customer (from which additional amounts of the product can be provided to the customer). A product inventory count for the product is maintained by decreasing the product inventory count as the customer ships out the product, and conversely increasing the product inventory count as the customer receives additional amounts of the product. As also recited, the product inventory count is monitored at a supplier location (remote from the customer location) such that the supplier is capable of detecting when product inventory counts approach the respective lower limits by falling below a notification level between the lower limit and the upper limit.

As suggested above, like the claimed invention, the Cruse publication relates to inventory management. In contrast to the claimed invention, however, the Cruse publication does not teach or suggest monitoring inventory of a consumer at a supplier location (remote from the customer location) such that the supplier is capable of detecting when product inventory counts approach a lower inventory limit. Consider the interpretation of the Cruse publication given by the Official Action solely for the sake of comparison. That is, consider vendors (125, 135) of the Cruse publication as corresponding to the supplier of the claimed invention, and the customer having several remote sites (110(1, 2, 3, 4)) disclosed by the Cruse publication as corresponding to the customer of the claimed invention. Thus, following the interpretation of the Official Action, for the Cruse publication to anticipate the claimed invention, the Cruse publication must

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disclose monitoring inventory of the consumer at the vendor location (remote from the customer location) such that the vendor is capable of detecting when product inventory counts approach a lower inventory limit. However, the Cruse publication does not disclose monitoring the customer inventory at the vendor location, but instead monitoring the customer inventory at a customer location. As such, the Cruse publication cannot properly anticipate the claimed invention of amended independent Claim 1.

More particularly, as disclosed by the Cruse publication, inventory of a customer or remote site of a customer is monitored by means of barcodes associated with the customer's inventory. The barcode information is then forwarded to an inventory computer of a respective remote site. Then, when the customer's inventory is depleted, the inventory computer sends a request for reorder to a respective vendor. Cruse Publication, paragraphs 29, 30. Thus, in this instance, inventory is monitored at the customer's remote location, as opposed by the vendor's location. The Cruse publication also discloses that the barcode information may be sent from the remote sites to a base site, from which an order is placed with a respective vendor. Even in this instance, however, the Cruse publication does not teach or suggest that inventory is monitored at the vendor's location, the base site being associated with the customer and not the vendor. See *id.* at FIG. 3A. Therefore, the Cruse publication does not teach or suggest monitoring inventory of a consumer at a supplier location (remote from the customer location) such that the supplier is capable of detecting when product inventory counts approach a lower inventory limit, as recited by amended independent Claim 1.

Also in contrast to the claimed invention of amended independent Claim 1, the Cruse publication does not teach or suggest that the customer receives additional amounts of inventory from the supply amount stored in the storage unit located remote from the supplier and proximate the customer. As disclosed by the Cruse publication, the customer maintains an inventory 210 of stock, where the customer's production line 205 depletes the inventory. To replenish the inventory, then, a vendor 125, 135 receives an order from the customer, and sends a shipment 225 to the customer. See Cruse Publication, paragraph 30, FIG. 2. Alternatively, the customer or vendor can send an order to a proprietary distribution center, from which the shipment is sent to the customer. In either event, however, the Cruse publication does not teach

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or suggest that the customer's inventory is replenished (i.e., the customer receives additional amounts of a product to thereby increase the product inventory count) from a location (i.e., a storage unit) remote from the vendor and proximate to the customer. At most, it could be suggested that the proprietary distribution center is located remote from the vendor. Even in such an instance, however, the Cruse publication does disclose any location relationship between the proprietary distribution center and the customer, much less that the proprietary distribution center is located proximate the customer, in a manner similar to that recited by the claimed invention.

Applicants therefore respectfully submit that the claimed invention of amended independent Claim 1, and by dependency Claims 2-10, is patentably distinct from the Cruse publication. Applicants also respectfully submit that the claimed invention of independent Claim 11 recites subject matter similar to that of amended independent Claim 1. For example, like amended independent Claim 1, independent Claim 11 recites that the supplier and/or second processing unit disposed proximate the supplier is capable of monitoring the product inventory count such that the supplier and/or second processing unit is capable of detecting product inventory counts that approach a lower limit. Also like amended independent Claim 1, independent Claim 11 recites a storage unit remote from the supplier and proximate the customer, where the supplier provides product to the customer from a supply amount of the product stored in the storage unit. Applicants therefore also respectfully submit that the claimed invention of independent Claim 11, and by dependency Claims 12-20, is patentably distinct from the Cruse publication for at least the same reasons given above with respect to amended independent Claim 1.

In addition to the reasons given above, Applicants respectfully submit that a number of the dependent claims of the present application recite features further patentably distinct from the Cruse publication. For example, dependent Claims 2 and 12 of the present application recite that an additional amount of product is provided to the customer independent of a purchase order associated with the additional amount. In contrast, in all embodiments of the system disclosed by the Cruse publication, customer inventory is replenished from processed orders received from the customer, or remote sites/base site of the customer. Even in the min/max model disclosed in

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paragraph 92 of the Cruse publication, the system automatically reorders inventory upon reaching a minimum.

For at least the reasons given above, then, Applicants respectfully submit that the claimed invention of Claims 1-20 is patentably distinct from the Cruse publication. As such, Applicants further respectfully submit that the rejection of Claims 1-20 as being anticipated by the Cruse publication is overcome.

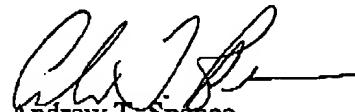
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### CONCLUSION

In view of the amended independent Claim 1, and the remarks presented above, Applicants respectfully submit that the present application is in condition for allowance. As such, the issuance of a Notice of Allowance is therefore respectfully requested. In order to expedite the examination of the present application, the Examiner is encouraged to contact Applicants' undersigned attorney in order to resolve any remaining issues.

It is not believed that extensions of time or fees for net addition of claims are required, beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR § 1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 16-0605.

Respectfully submitted,

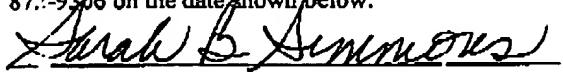


Andrew T. Spence  
Registration No. 45,699

**Customer No. 00826**  
**ALSTON & BIRD LLP**  
Bank of America Plaza  
101 South Tryon Street, Suite 4000  
Charlotte, NC 28280-4000  
Tel Charlotte Office (704) 444-1000  
Fax Charlotte Office (704) 444-1111

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Sarah B. Simmons

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